

## Message Text

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44

ACTION AF-06

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 PA-01 PRS-01 USIA-06 OPIC-03 /037 W

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P R 021210Z JUN 75

FM AMCONSUL CAPE TOWN

TO SECSTATE WASHDC PRIORITY 4680

INFO AMEMBASSY PRETORIA

AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

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E.O.11652: DECONTROL UPON RECEIPT

TAGS: ELAB, BBAK, SF

SUBJECT: I INVESTOR RESPONSIBILITY RESEARCH CENTER (IRRC)

STATE 126297

1. FOLLOWING IS FULL TEXT OF MAY 4 SUNDAY TIMES ARTICLE ON  
IRRC, WHICH IS ONLY ONE WE HAVE BEEN ABLE TO FIND AND IS ESSENTIALLY  
UNCRITICAL REPORT, DATED WASHINGTON, UNDER TITLE "PROTESTS  
ARE BIG BUSINESS."

BEGIN TEST - SOCIAL PROTEST GROUPS ARE BIG BUSINESS IN AMERICA.  
IN FACT, A THRIVING INDUSTRY HAS GROWN UP TO SERVE, AND IN SOME  
CASES, FIGHT GROUPS THAT SEEK TO IMPOSE SOCIAL-CONSCIENCE  
OBJECTIVES ON BIG BUSINESS IN THE UNITED STATES.

AT THE INVESTOR RESPONSIBILITY RESEARCH CENTRE (IRRC), THE  
ACCENT IS ON HELPING BOTH SIDES WITH OBJECTIVE, FACTUAL RESEARCH  
AND DATA. IN ITS TWO YEARS OF EXISTENCE, THE IRRC HAS BECOME  
BOTH A CLEARING HOUSE FOR INFORMATION AND AN AUTHORITATIVE  
SOURCE THAT BOTH TYCOON AND DISSIDENT CAN QUOTE WITH EASE.

THE IRRC IS A NON-PROFIT COMPANY THAT WAS STARTED WITH R35,000  
IN GRANTS TWO YEARS AGO. IT NOW SUPPORTS ITSELF BY SUBSCRIPTIONS  
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FROM SOME OF THE BIGGEST AND MOST PRESTIGIOUS NAMES IN AMERICAN

INDUSTRY AND PHILANTHROPY.

IRRC CLIENTS INCLUDE: CHASE MANHATTAN BANK, IRVING TRUST AND MORGAN GUARANTY BANK, FOUNDATIONS SUCH AS FORD, ROCKEFELLER, AND CARNEGIE, AND HALF A DOZEN INSURANCE COMPANIES.

IRRC PAPERS ON SOUTH AFRICA WERE QUOTED EXTENSIVELY--BY BMTH MANAGEMENT AND PROTESTING SHAREHOLDERS--AT THE ANNUAL IBM SHAGEHOLDERS MEETING THIS WEEK.

AN IRRC TEAM PLANS A TRIP TO SOUTH AFRICA TO GET FIRST HAND INFORMATION ON LABOUR CONDITIONS AND ON THE ROLE US CORPORATIONS PLAY IN EITHER STRENGTHENING OR BREAKING DOWN APARTHEID.

THE IRRC STUDY ON SOUTH AFRICA WILL ALSO ASSESS ECONOMIC CONDITIONS. A SEPARATE REPORT IS PLANNED ON THE POLITICAL SITUATION IN SOUTH WEST AFRICA.

A TYPICAL IRRC REPORT, SUCH AS THE ONE ON SOUTH AFRICA AND IBM, DOES NOT TAKE ANY STAND ON THE MOTION TO BE PRESENTED TO THE SHAREHOLDERS.

THERE IS AN ANALYSIS OF BOTH SIDES OF THE DEBATE AND OF RELATED ISSUES. THIS WAY, THE IRRC SAVES CORPORATIONS HUNDREDS OF THOUSANDS OF DOLLARS OF THEIR OWN STAFF TIME AND PROVIDES BOTH SIDES WITH FACTS AND POINTS OF REFERENCE IN THEIR ARGUMENTS. END TEST.

2. ARTICLE APPEARED ON FRONT PAGE OF "BUSINESS TIMES" SECTION OF THE PAPER JUST BELOW MAJOR STORY ABOUT IBM'S ANNUAL SHAREHOLDERS' MEETING IN PITTSBURGH AT WHICH CHURCH-SPONSERED GROUP REPORTEDLY RATTLED IBM CHAIRMAN FRANK CARY INTO SAYING IBM WOULD NOT HAVE MADE INVESTMENTS IN SOUTH AFRICA IF ITS MANAGEMENT COULD HAVE LOOKED INTO THE FUTURE. IRRC WAS IN NO WAY MENTIONED IN IBM ARTICLES, HOWEVER.

3. NEITHER EMBASSY NOR CONGEN JOHANNESBURG AWARE ANY SAG REACTION TO MAY 4 ARTICLE. IT HAS NEVER BEEN MENTIONED TO US BY ANY SAG OFFICIALS IN CAPE TOWN. SAG SENSITIVITY ABOUT FOREIGN INQUIRIES INTO SA BUSINESS OPERATIONS, HOWEVER, IS REFLECTED IN RECENT LIMITED OFFICIAL USE

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LEGISLATION AND REGULATIONS TO PREVENT SA BUSINESSMEN FROM ANSWERING CERTAIN TYPES OF REQUESTS (SEE CAPE TOWN A-87 OF MAY 21 AND PREVIOUS).

4. WHILE EMBASSY WELCOMES PRIVATE BUSINESS RESEARCH INTO SOUTH AFRICAN BUSINESS AND EMPLOYMENT CONDITIONS AND WOULD NORMALLY WISH TO FACILITATE IT IN ANY APPROPRIATE WAY, THE EXTENT OF FACILITATIVE ASSISTANCE REQUESTED BY WEISS IN LETTERS TO OFFICERS

AT CONGEN JOHANNESBURG (WHICH WE HAVE NOT SEEN BUT UNDERSTAND  
EVEN INCLUDE REQUEST FOR ASISTANCE WITH HOUSING) DOES SEEM TO  
RAISE SERIOUS PROBLEM OF IDENTIFICATIONS WITH USG INQUIRIES INTO  
EMPLOYMENT PRACTICES. (DEPARTMENT MIGHT WISH SUGGEST TO WEISS  
IT WOULD BE HELPFUL IN KEEPING ALL INFORMED IF HE WERE TO PUT  
AF/S AND EMBASSY DOWN FOR COPIES OF HIS CORRESPONDENCE TO CONGEN  
JOHANNESBURG.) WE WILL SUBMIT FURTHER COMMENT IN LATER TELEGRAM.  
BOWDLER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, RESEARCH, DATA, BUSINESS FIRMS, RELATIONS WITH INTERNATIONAL ORGS, ORGANIZATION & MANAGEMENT  
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**Copy:** SINGLE  
**Draft Date:** 02 JUN 1975  
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**Disposition Approved on Date:**  
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**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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